



2013 ANNUAL
Report



FROM THE PASTOR'S DESK

Dear Friends,



I am pleased to share with you St. Mary's annual financial report for the Fiscal Year 2013. St. Mary's is a vibrant Roman Catholic parish today thanks to the shared faith and commitment of the thousands of people who call this their spiritual home. My sincere thanks to everyone who has helped our parish.

We are living in historic times: the February retirement of Pope Benedict XVI caught everyone by surprise. Then the election of Pope Francis marked the beginning of a new moment in the life of the Church. We pray for the Holy Spirit to fill the people of St. Mary with zeal so that we can make this a new moment for bringing more people to Christ and our Catholic faith.

The work of the Church requires widespread support. As we publish this report, St. Mary's is actively invested in the "To Teach Who Christ Is" campaign. My hope is that this campaign will help us advance the mission of the Church, especially as we provide education, catechesis and faith formation to over one thousand young people here. Please look for more information about the campaign at our website: www.churchofstmary.org.

I am grateful to the members of our Parish Finance Council and parish staff for their help in making good decisions about how we use the resources you provide for the support of St. Mary. If you have any questions or comments about this report or the financial health of our parish, please contact me, Rebecca Quackenbush (Business Manager), or any member of our Finance Council at your convenience.

Please remember me in your prayers, and be assured of my prayers for you.

In our Lord,



Father Mike McGovern
Pastor

Parish Council 2012–2013

John Fitzgerald
Mary Flagstad
Melissa LeRose
Patrick Lupton
Dave Melsheimer
Jay Pezza
Camille Prindle
Mark Saran

Finance Council

Ralph Elwart, Chair
847.234.6604
Tim Cummins
312.305.9388
Justin Foley
312.806.3046
Jeff Gannon
847.921.0359
Jeff Giannelli
773.447.0058
Wendy Hambleton
312.616.4657
Eric Rahn
847.295.2334

SPIRITUAL *Life*



St. Mary's vibrant parish

2012–2013 Parish of St. Mary's	
Registered Households	2,933
Non-Registered Households	350

of 3,283 registered and non-registered households provides for the spiritual and sacramental needs of so many in our community. The spiritual life of our parish brings Christ to all seeking him. The many ministries and sacraments available to our parishioners

Spiritual Life	
<i>Many St. Mary's parishioners participate in the opportunities for spiritual growth and to serve one another in the parish.</i>	
Ushers	45
Lectors	41
Extraordinary Ministers of Holy Communion	105
Altar Servers	78
Choir, Cantors & Instrumentalists	50
Ministers of Care	48
Bereavement Ministers	12
Bible Study	124
Youth Ministry	130 high school students

Keep us alive in faith.

Rites	
Baptism	73
Reconciliation & First Holy Communion	122
Confirmation	168
Matrimony	28
Funeral	53



Cardinal George ordaining Father Brendan Guilfoil, Holy Name Cathedral May 2013

PARISH *Life*

In addition to our sacramental and spiritual purpose, St. Mary's is committed to building

community & fellowship

among all parishioners. This is accomplished through events such as the Lenten Fish Fry and Oktoberfest as well as Donut Sunday, Food Drives and Soup Kitchen. All opportunities to meet new friends and reconnect with old friends help to build up our parish. By sharing our time and our treasure with one another, we glorify God.

Volunteer Coordinators

- Wendy Hambleton, Children's Liturgy of The Word
- Megan Jordan, Food Drive
- Ellen Tierney, Soup Kitchen
- Bob Wenderski, Knights of Columbus
- Ron Taylor, Lector Coordinator
- Ron Sevcik, Usher Coordinator
- Terry Kiwala, SPRED (Special Religious Education)
- Sheila Robbins, Chair Parish Life Commission
- Barb Mockus & Christy Riley, MOMS
(Ministry of Mothers Sharing)
- Terry Darraugh, Respect Life

Supporting the Mission of the Church

	FY2012	FY2013
Most Blessed Trinity—Sharing Parish	\$119,955	\$131,798
Peru		\$581
Latin America	\$5,883	\$8,922
Seminaries	\$8,782	\$10,802
Holy Land	\$3,931	\$5,858
Aid Churches Central East Europe	\$6,770	\$7,229
Catholic Charities	\$13,470	\$15,689
Peter's Pence	\$10,020	\$9,663
Propagation of The Faith	\$8,639	\$8,034
Catholic Campaign for Human Development	\$7,111	\$7,049
Religious Retirement	\$14,186	\$11,284
Missionary CO-OP Plan	\$17,513	\$38,238
Operation Rice Bowl—CRS	\$1,320	\$100
Retirement for Priests	\$14,744	\$17,429
	\$232,322	\$272,676



GUILD OF *St. Mary*



Prelude Co-Chairs
Stephanie Knight & Monique Kraft



Prelude 2012



Guild President Julie Conway
2012 Woman of the Year Susan Barr
Father Michael McGovern

The Guild of St. Mary



is a 77-year-old not-for profit charitable and service organization. It is comprised of 500 women who support the Church of St. Mary, as well as the wider community through service, friendship and spirituality. Guild members contribute immeasurably to the vitality of the Parish through the numerous projects and activities they sponsor.

Guild Circles 2012–2013

St. Anne
St. Anthony
St. Bridget
St. Catherine
St. Elizabeth
St. Francis
St. Genevieve
St. Gerard
St. Gwendoline

St. Jude
St. Madeleine Sophie
St. Maria Goretti
Sts. Martha and Mary
St. Patrick
St. Rita
St. Rose
St. Theresa

YOUTH *Ministry*

COR High School Youth Ministry is open to high school students in the Lake Forest, Lake Bluff and surrounding areas. Our name is derived from the Latin phrase "Cor Unum" meaning "one heart."



Our one heart is united with the heart of Christ

and brings us together as a Catholic community. Our mission is to bring the youth of the Church of St. Mary into a deeper love with Christ, so that they may embrace His call in their lives, and do His work within the world. COR provides weekly faith meetings, retreat opportunities, service opportunities and socials for high school students.



YOUTH *Ministry*



I WILL GIVE THEM
ONE HEART
AND ONE WAY:
SO THAT THEY MAY
GO ON IN THE WORSHIP
OF ME FOREVER.

Jeremiah 32:39

- 120** teens regularly attend Sunday COR Meetings
- 120** teens participated in two Kairos Retreats
- 25** teens participated in One Identity in Christ Retreat
- 35** teens served in a weeklong mission trip to Nicaragua
- 35** teens participated in a weeklong work trip to Appalachia
- 25** teens regularly volunteer through the community meals program
- 100** teens participated in two lock-in socials
- 35** teens regularly attend Tuesday night Bible Study



RELIGIOUS
Education



St. Mary offers

catechesis and faith formation

for children from pre-school to eighth grade through our Religious Education Program. Children participate in catechesis in the classroom, prayer services, special activities and service projects. The program follows the curriculum for religious education developed by the Archdiocese of Chicago.

	2012-2013	
455		Students
393		Families
31		Volunteer Catechists
15		Professional Catechists for grades 6, 7, & 8
12		Certified Catechists
5		Office Aide/Childcare Volunteers



RELIGIOUS
Education



*Vacation
Bible School*

130 Children participated in summer Vacation Bible School. Activities were led by 29 adult and 68 student volunteers.



SCHOOL OF *St. Mary*

Since 1917, the School of St. Mary has helped children grow in their Catholic faith. Students attend Mass on feast days of Christ, the Blessed Mother, the Apostles and various saints throughout the year. Faith formation activities include prayer services, the Rosary, retreats, confession in Advent and Lent and regular catechesis in the classroom.

In November 2012, the School of St. Mary was honored to receive the



Excellence in Education Blue Ribbon Award

from the U.S. Department of Education. Out of approximately 135,000 public and private schools, 269 schools received this award recognizing excellence in education. Of the 269 schools selected, only 50 were non-public institutions.

St. Mary is recognized as an exemplary, high performing school. "High performing" means that the achievement of the school's students in the most recent year tested places the school in the top 15 percent of the nation in reading (or English language arts) and mathematics as measured by a nationally normed test.



2012–2013 Academic Year
Enrollment PreK–8th Grade

536
including 78 new students

Faculty Members with Advanced Degrees

22

Full-Time Faculty Members

46

Part-Time Faculty Members

7

Average class size in 1st through 8th grade

18 students per class

Average class size in pre-school and kindergarten

15 students per class

SCHOOL OF
St. Mary



IN LOVING MEMORY
OF OUR BELOVED
TEACHER AT
THE SCHOOL OF
ST. MARY
FOR 35 YEARS

Kathryn M.

McMullen

November 14, 1946-

January 30, 2013



STATEMENTS OF FINANCIAL POSITION

Statements of Financial Position—Modified Cash Basis

Fiscal Years Ending June 30

	FY2012 July 2011–June 2012	FY2013 July 2012–June 2013
ASSETS		
Current Assets		
Checking & Savings Local		
Savings Accounts Local	\$ 336,338	\$ 333,693
Operating Accounts Local	2,228,724	2,329,763
Total Checking & Savings Local	<u>2,565,061</u>	<u>2,663,456</u>
Savings & Investments at Archdiocesan Bank		
Savings & Investments	273,317	312,016
Building Fund Savings	303,755	- {7}
Cash held on behalf of Parish Organizations	121,876	52,089
Total Savings & Investments at Archdiocesan Bank	<u>698,947</u>	<u>364,105</u>
Total Current Assets	<u>3,264,009</u>	<u>3,027,561</u>
Noncurrent Assets		
Other Assets		
Parish Education Endowment Fund	1,220,408 {1}	1,257,107 {1}
Parish Endowment Scholarship Fund	109,048 {1}	112,336 {1}
Total Other Assets	<u>1,329,456</u>	<u>1,369,444</u>
Parish Properties		
Primary Grade Center Land	872,938	872,938
Oakwood Rental Property	357,500	357,500
Illinois Rental Property	436,000	436,000
Total Parish Properties	<u>1,666,438</u>	<u>1,666,438</u>
Total Noncurrent Assets	<u>2,995,894</u>	<u>3,035,882</u>
TOTAL ASSETS	<u>\$ 6,259,903</u>	<u>\$ 6,063,443</u>
LIABILITIES and NET ASSETS		
Liabilities		
Short-term Liabilities	\$ 89,310	\$ (14,700)
Held on behalf of Parish Organizations	121,876	52,089
Prepaid Tuition & Fees	1,463,013	1,721,078
Long-term debt		
Upper Grade Center Loan	404,588	- {8}
Total Long-term debt	<u>404,588</u>	<u>-</u>
Total Liabilities	<u>2,078,786</u>	<u>1,758,468</u>
Net Assets		
Unrestricted		
Temporarily Restricted		
Parish Education Endowment Fund	908,203 {1}	944,903 {1}
Parish Scholarship Endowment Fund	8,930 {1}	12,216 {1}
Restricted Donations and Fundraising	425,319	396,396
Other Temporarily Restricted	-	-
Total Temporarily Restricted	<u>1,342,453</u>	<u>1,353,515</u>
Permanently Restricted		
Parish Education Endowment Fund Corpus	312,204	312,204
Parish Scholarship Endowment Fund Corpus	100,120	100,120
Total Permanently Restricted	<u>412,324</u>	<u>412,324</u>
Total Net Assets	<u>4,181,117</u>	<u>4,304,975</u>
TOTAL LIABILITIES and NET ASSETS	<u>\$ 6,259,903</u>	<u>\$ 6,063,443</u>

FISCAL YEAR 2013 INCOME STATEMENT & FISCAL YEAR 2014 BUDGET

Statement of Revenue & Expense Activity—Modified Cash Basis 2013 Fiscal Year Ending June 30

Change in Unrestricted Net Assets	2013			2014 BUDGET	
	Church	School	Interparish Eliminations	Total	Total
Income					
Sunday & Holy Day Collections	\$ 1,955,598	\$ -	\$ -	\$ 1,955,598	\$ 1,874,000
Tuition, Registration & Comprehensive Fees	114,168	3,023,859 {4+5}	-	3,138,027	3,313,587
Educational & Program Fees	89,996	16,082	-	106,078	79,294
Fundraising Net Income	809	171,829 {5}	-	172,638	250,500
Interest & Investment Income	76,957 {1}	940	-	77,897	108,320
Scholarship Income from Parish	-	80,000	(80,000)	-	80,000
Subsidy Income from Parish	-	250,000	(250,000)	-	285,000
Donations	239,134 {2}	39,080 {3}	-	278,214	212,000
Miscellaneous Income	96,236	(778)	-	95,459	52,380
Total Income	<u>2,572,899</u>	<u>3,581,013</u>	<u>(330,000)</u>	<u>5,823,912</u>	<u>6,255,081</u>
Expense					
Salaries	874,993	2,257,275	-	3,132,268	3,220,132
Employee Benefits	194,464	657,721	-	852,185	1,031,792
Educational, Liturgical Books & Supplies	33,126	133,422	-	166,548	167,975
Administrative & Other Expenses	119,040	111,930	-	230,970	191,410
Utilities	74,376	98,643	-	173,019	242,310
Maintenance & Building Repairs	103,217	139,857	-	243,074	193,650
Upper Grade Center Loan Interest	13,280	-	-	13,280	10,053
Liturgical & Ministries	131,190	-	-	131,190	111,964
Archdiocesan Assessments	298,464 {6}	12,328 {6}	-	310,792	311,002
Insurance	44,092	109,032	-	153,124	165,800
Parish Financial Aid Expense	80,000	-	(80,000)	-	77,000
Parish School Subsidy Expense	250,000	-	(250,000)	-	285,000
Miscellaneous Expense	25,413	24,943	-	50,356	46,050
Total Expense	<u>2,241,653</u>	<u>3,545,152</u>	<u>(330,000)</u>	<u>5,456,805</u>	<u>6,054,138</u>
Total Change in Unrestricted Net Assets	331,246	35,861	-	367,106	200,943
Other Unrestricted Income and Expense					
Most Blessed Trinity Sharing Parish	131,798	-	-	131,798	135,000
Archdiocese Required Collections	140,878	-	-	140,878	96,100
Annual Appeal Rebate	77,747	-	-	77,747	-
Most Blessed Trinity Sharing Parish	(131,798)	-	-	(131,798)	(135,000)
Archdiocese Required Collections	(140,878)	-	-	(140,878)	(96,100)
Other Expenses	(21,929)	-	-	(21,929)	(21,654)
Capital Improvements	(292,469) {7}	-	-	(292,469)	(127,050)
Total Change in Other Unrestricted Net Assets	(236,651)	-	-	(236,651)	(148,704)
Other Temporarily Restricted Net Assets					
Temporarily Restricted	101,549 {2}	235,777 {3}	-	337,326	-
Temporarily Restricted—Releases	(28,018) {2+8}	(315,905) {3}	-	(343,923)	-
Total Change in Other Temporarily Restricted Net Assets	<u>73,531</u>	<u>(80,128)</u>	<u>-</u>	<u>(6,597)</u>	<u>-</u>
Change in Net Assets	\$ 168,126	\$ (44,267)	\$ -	\$ 123,858	\$ 52,240

INCOME STATEMENT FINANCIAL FOOTNOTES

The Parish of St. Mary Accounting Policies

The Parish of St. Mary's financial statements are prepared on the modified cash basis, which is a comprehensive basis other than generally accepted accounting principles in the United States of America (US GAAP). Under the modified cash basis of accounting, adjustments to the cash basis accounts are made to conform to certain Archdiocesan provisions. Revenues and expenses are recognized only as cash received or paid, except as for certain modifications specified by the Archdiocese. Prepaid tuition is recognized as a liability in the statements of financial position - modified cash basis, and the Parish endowment funds are recorded at fair value as provided by the Archdiocese. In addition, the Archdiocesan provisions require real property of the Parish to be held in trust by the Archdiocese of Chicago. Other land and buildings, such as rental properties and the Primary Grade Center land, are carried at cost by the Parish and are not depreciated.

Note {1}—Investments & Endowment Funds

The Parish of St. Mary holds two endowment fund assets, each with a permanently restricted corpus and both held in charter with the Archdiocesan Bank. The Parish Educational Endowment Fund (PEEF) is restricted for educational use only by the Parish. The Parish can draw from the balance of temporarily restricted realized gains at any point in time to support the further education of children and adults alike through the Religious Education program, Evangelization or the School. Changes in the balances are from pooled investment gains or losses and donations received by the Church and deposited into the fund.

The RJB Scholarship Endowment Fund corpus was donated from an anonymous donor in 2007 for the purpose of supporting families with financial need in attending the School of St. Mary. Per the charter, only 5% of temporarily restricted realized gains can be withdrawn annually.

Note {2}—Church Donations

Donations were received and used for the restricted use of:

Altar Flowers	Church Hearing Looping System	School Financial Aid
Church Lower Level Restrooms	Church Sound & Media System	Stained Glass Windows
Christmas Greens	Landscaping	Technology
Church Doors	Replating the Monstrance	Vestments
Church Façade	Religious Education	Youth Ministry

Note {3}—School Donations

\$315,905 of school restricted donations from current and prior years were used for the following projects in FY2013:

Art Program	New School Signs & Lighting	Special Services
Athletic Program	PGC Playground	St. Jude's Hospital
Baby Bottle Project for Peru	Physical Education Program	Student Council
Basketball Uniforms	Operation Rice Bowl	Technology Infrastructure, White Boards
Cheerleading Uniforms	School Faculty Gifts	
Library Materials	Science Program	

Note {4}—School of St. Mary Tuition

- \$46,800 was received as tuition subsidy from St. Patrick's Church for children that were parishioners of St. Patrick's who attended the School of St. Mary in FY2013.
- \$35,676 of uncollected tuition from prior years was collected and recorded in income in the current year. All but \$27,000 of tuition due in FY2013 was collected.

Note {5}—School of St. Mary Parent's Club Donations

A total of \$250,365 was raised by the Parent's Club in FY2013 and was designated for the following purposes:

- \$170,000 was donated from the School of St. Mary Parent's Club to support school operating expenses
- \$80,365 was raised for academic year 2013-2014 financial aid for need based families and is included in temporarily restricted funds

INCOME STATEMENT FINANCIAL FOOTNOTES

Note {6}—Archdiocesan Assessments

The Parish of St. Mary pays three assessments to the Chicago Archdiocese annually:

Archdiocese Assessment

The Archdiocese Assessment is billed at 10% of the Church's ordinary income (less interest) from FY2011 reported closed financials. This assessment positively impacts the Parish of St. Mary with supporting functions such as: financial, operational, legal, insurance, human resources, payroll, employee benefits, religious education as well as pastoral and liturgical functions.

Office of Catholic Schools Assessment (OCS)

The Office of Catholic Schools Assessment (OCS) is billed at a rate per student. The cost per student in FY2011, FY2012 & FY2013 was \$23.00. The Office of Catholic Schools helps to support the School of St. Mary with services concerning human resources, legal, instructional and educational issues.

Priest Retirement Mutual Aid Association Assessment (PRMAA)

The PRMAA Assessment supports the retirement fund for our priests within the Chicago Archdiocese. The amount billed by PRMAA is 3.5% of the total church operating revenue (less interest) of FY2012 reported closed financials.

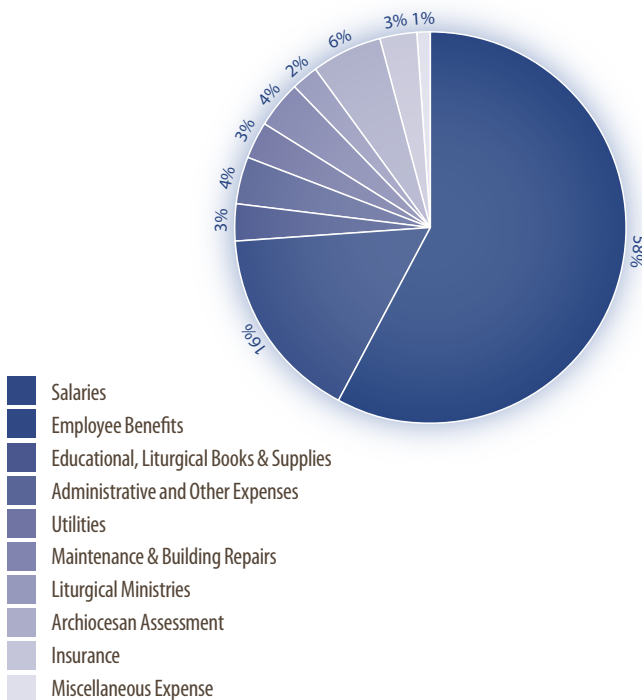
Note {7}—Capital Improvements

- Parish contributed \$280,000 to complete the North School Building AC & Sprinkler project from parish reserves.

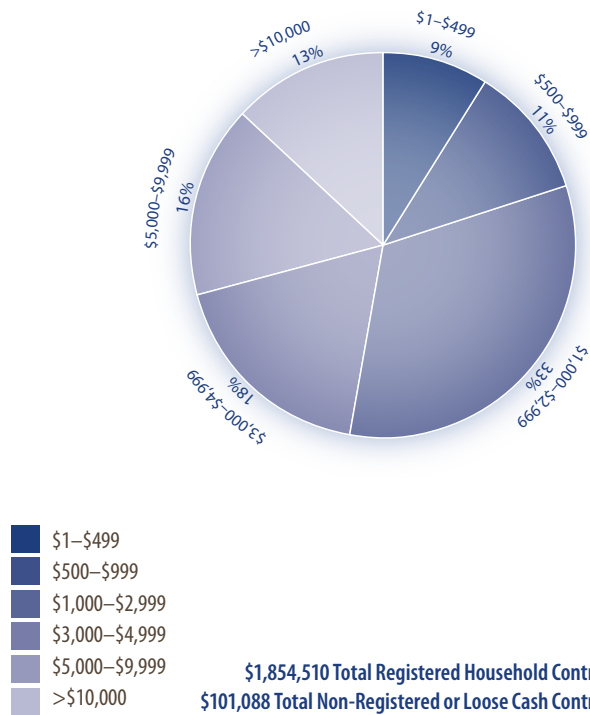
Note {8}—School Upper Grade Center Loan Payoff

- Parish paid \$404,588 in FY2013 to payoff the debt from the School Upper Grade Learning Center addition and renovation in 2005.
- \$2,648,121 was the original loan balance in 2005.
- Parish sold a residential property in 2006 for \$536,635 which was applied to the debt.
- \$900,000 of a bequest the parish received in 2011 was also applied to the debt.

FY2013 Parish Expense Allocation



FY2013 Registered Household Contributions by \$ and % of Amount Given





FACES
OF OUR
Parish

